

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**RECEIVED**

APR 12 2004

**AZ CORPORATION COMMISSION**  
**DIRECTOR OF UTILITIES**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

W-02237A  
Orange Grove Water Company  
P. O. Box 889  
Yuma AZ 853660889

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2003
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**SEE ACCOUNTANT'S COMPILATION REPORT**

FOR COMMISSION USE

Ann04	03
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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>ORANGE GROVE WATER COMPANY INC</u>			
<b>Mailing Address</b> <u>P O Box 889</u>			
<u>Yuma</u>		<u>AZ</u>	<u>85366-0889</u>
(City)		(State)	(Zip)
<u>928-726-8272</u>		<u>N/A</u>	<u>N/A</u>
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>N/A</u>			
<b>Local Office Mailing Address</b> <u>P O Box 889</u>			
<u>Yuma</u>		<u>AZ</u>	<u>85366-0889</u>
(City)		(State)	(Zip)
<u>928-726-8272</u>		<u>N/A</u>	<u>N/A</u>
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>N/A</u>			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>KATHLEEN M DAY</u>			
<u>P O Box 889</u>		<u>Yuma</u>	<u>AZ</u>
(Street)		(City)	(State)
<u>928-726-8272</u>		<u>N/A</u>	<u>N/A</u>
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>N/A</u>			
<b>On Site Manager:</b> <u>KATHLEEN M DAY</u>			
<u>P O Box 889</u>		<u>Yuma</u>	<u>AZ</u>
(Street)		(City)	(State)
<u>928-726-8272</u>		<u>N/A</u>	<u>N/A</u>
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>N/A</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: GLENN J GIMBERT  
 (Name)  
152 SOUTH 1<sup>ST</sup> AVENUE YUMA AZ 85364  
 (Street) (City) (State) (Zip)  
928-783-7895 N/A N/A  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: GLENN J GIMBERT  
 (Name)  
152 SOUTH 1<sup>ST</sup> AVENUE YUMA AZ 85364  
 (Street) (City) (State) (Zip)  
928-783-7895 N/A N/A  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |                                                 |                                                                                      |
|-------------------------------------------------|--------------------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |                                                                                      |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |                                          |
|-------------------------------------|-----------------------------------|------------------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO        |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE        |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE          |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL           |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input checked="" type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE  |                                   |                                          |

COMPANY NAME

OLIVE GROVE WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	3739	—	3739
304	Structures and Improvements	30000	15500	14500
307	Wells and Springs	11699	11699	—
311	Pumping Equipment	16509	9637	6872
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	3504	3504	—
331	Transmission and Distribution Mains	138530	120684	17846
333	Services	11264	11264	—
334	Meters and Meter Installations	5076	5076	—
335	Hydrants	6069	6069	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	14775	9092	5683
341	Transportation Equipment	1424	752	672
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	<b>TOTALS</b>	242589	193277	49312

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

ORANGE GROVE WATER COMPANY INC

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	3709	5%	—
304	Structures and Improvements	37000	5%	1500
307	Wells and Springs	11699	5%	—
311	Pumping Equipment	16529	5%	632
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	2504	5%	—
331	Transmission and Distribution Mains	132530	5%	6927
333	Services	11267	5%	—
334	Meters and Meter Installations	5076	5%	—
335	Hydrants	6209	5%	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	14775	5%	739
341	Transportation Equipment	1424	5%	71
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	<b>TOTALS</b>	242589		9869

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
 Acct. No. 403.

COMPANY NAME

ORANGE GROVE WATER COMPANY, INC.

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 77 84	\$ 4251
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	29422	27340
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 37206	\$ 31591
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 236 808	\$ 242589
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	183408	193277
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 53400	\$ 49312
	<b>TOTAL ASSETS</b>	\$ 90606	\$ 80903

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME ORANGE GROVE WATER COMPANY Inc

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ —	\$ —
232	Notes Payable (Current Portion)	—	—
234	Notes/Accounts Payable to Associated Companies	—	—
235	Customer Deposits	—	—
236	Accrued Taxes	2191	2153
237	Accrued Interest	—	—
241	Miscellaneous Current and Accrued Liabilities	—	—
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 2191	\$ 2153
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ —	\$ —
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ —	\$ —
252	Advances in Aid of Construction	—	—
255	Accumulated Deferred Investment Tax Credits	—	—
271	Contributions in Aid of Construction	52182	52182
272	Less: Amortization of Contributions	15656	20274
281	Accumulated Deferred Income Tax	—	—
	<b>TOTAL DEFERRED CREDITS</b>	\$ 36532	\$ 31314
	<b>TOTAL LIABILITIES</b>	\$ 38723	\$ 33467
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 4070	\$ 4070
211	Paid in Capital in Excess of Par Value	1934	1934
215	Retained Earnings	45879	41432
218	Proprietary Capital (Sole Props and Partnerships)	—	—
	<b>TOTAL CAPITAL</b>	\$ 51883	\$ 47436
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 90606	\$ 80903

COMPANY NAME ORANGE GROVE WATER COMPANY Inc

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 96170	\$ 94489
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 96170	\$ 94489
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 49918	\$ 44399
610	Purchased Water	—	—
615	Purchased Power	—	—
618	Chemicals	—	—
620	Repairs and Maintenance	4205	6017
621	Office Supplies and Expense	21315	21805
630	Outside Services	4903	2340
635	Water Testing	2455	1205
641	Rents	—	—
650	Transportation Expenses	1645	120
657	Insurance – General Liability	3582	4012
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense – Rate Case	—	—
675	Miscellaneous Expense	1421	324
403	Depreciation Expense	9773	9869
408	Taxes Other Than Income	4461	4113
408.11	Property Taxes	4581	12141
409	Income Tax	2019	1127
	<b>TOTAL OPERATING EXPENSES</b>	\$ 110282	\$ 107476
	<b>OPERATING INCOME/(LOSS)</b>	\$ (14112)	\$ (12987)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 39	\$ 19
421	Non-Utility Income	8818	8521
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	—	—
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 8857	\$ 8540
	<b>NET INCOME/(LOSS)</b>	\$ (5255)	\$ (4447)



COMPANY NAME ORANGE GLOVE VAPOR COMPANY INC

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ NONE

Meter Deposits Refunded During the Test Year

\$ NONE

COMPANY NAME DILLY'S GULVE WATER COMPANY, INC

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
14366		30		200		
14366		30		270		

- Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
2000	1	5000	1

COMPANY NAME OLD HIGGS GRADING WATER COMPANY, INC.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	CAST IRON	
8	CAST IRON	
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	300
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

N/A

OTHER:

N/A

COMPANY NAME: ORANGE GROVE WATER COMPANY, INC

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	316	2 853 780	2 854
FEBRUARY	312	2 605 700	2 606
MARCH	314	2 319 550	2 319
APRIL	317	2 816 770	2 817
MAY	311	2 764 920	2 765
JUNE	310	3 292 540	3 293
JULY	310	3 773 680	3 774
AUGUST	309	3 950 470	3 950
SEPTEMBER	309	3 303 710	3 304
OCTOBER	313	3 578 840	3 579
NOVEMBER	313	5 589 920	5 590
DECEMBER	311	2 440 580	2 440
TOTAL		N/A	39 291

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes ( ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. NONE mg/l

(If more than one well, please list each separately)

SEE ATTACHED REPORT

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
DRINKING WATER INORGANIC CHEMICAL ANALYSIS REPORT**

\*\*\*SAMPLES TO BE TAKEN AT P.O.E ONLY\*\*\*

>>>>PUBLIC WATER SYSTEM INFORMATION<<<<  
>>>> TO BE FILLED OUT BY SYSTEM PERSONNEL <<<<

[ 14-366 ]  
System ID

ORANGE GROVE WATER CO INC  
System Name

[ 12/31/03 ] [ 6:31 ] (24 hr clock)  
Sample date Sample time

RALPH E. SMITH  
Owner/Contact Person Name

520-459-7040  
Owner/Contact Person Phone Number

Owner/Contact Fax Number

**SAMPLE TYPE**

☒ Compliance Monitoring

**SAMPLE COLLECTION POINT/ID**

☒ Point of Entry# [ 001 ]

001

SAMPLING SITE ID

**FOR MCL EXCEEDANCE OR COMPOSITE TRIGGER**

[ ]  
Original Violating Specimen Number

**SAMPLE TYPE**

☐ CONFIRMATION

☐ CONFIRMATION FOR COMPOSITE TRIGGER

**\*\*\*INORGANIC CHEMICAL ANALYSIS\*\*\***

>>> TO BE FILLED OUT BY THE LABORATORY PERSONNEL <<<

Analysis Method	MCL Value	Trigger Value	Contaminant Name	Cont. Code	Test Start Date/Time	Analysis Run Date/Time	Results*	Exceeds MCL	Exceed Trigger
200.8	0.05		Arsenic	1005					
200.8	2		Barium	1010					
200.8	0.005		Cadmium	1015					
200.8	0.1		Chromium	1020					
SM4500F-C	4.0		Fluoride	1025					
245.2	0.002		Mercury	1035					
300.0	10	5	Nitrate (as N)	1040	1/5/04 10:26	1/5/04 21:53	2.78		
SM4500NO2B	1	0.5	Nitrite (as N)	1041	1/1/04 11:00	1/1/04 11:30	<0.01		
200.8	0.05		Selenium	1045					
200.8	0.006		Antimony	1074					
200.8	0.004		Beryllium	1075					
335.4	0.2		Cyanide (as free cyanide)	1024					
200.8	0.1		Nickel	1036					
200.8	0.002		Thallium	1085					
300	NO MCL		Sulfate	1055					
200.7	NO MCL		Sodium	1052					

>>>>LABORATORY INFORMATION<<<<

To be filled out by laboratory personnel

**SPECIMEN NUMBER**

[ 010204-06I ]

**COPY**

ID Number [ AZ 0/0/0/9 ]

Name: [ AQUA TECH ENVIRONMENTAL LABORATORIES, INC.

Comments: [ Analyzed by Aqua Tech Environmental Laboratories of Tucson, AZ.

Authorized Signature: [

*R Mosher*

Date Public Water System Notified: [

\*All units must be reported in milligrams per liter (mg/l)



COMPANY NAME ORANGE GARDEN WATER COMPANY, INC. YEAR ENDING 12/31/2003

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 12 / 45

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5496

Date 3/25/03

91-574/1221  
950

Pay to the  
Order of

Yuma Co. Treasurer \$ 779<sup>98</sup>  
Seven Hundred Seventy-Nine & 98/100 Dollars



**Compass Bank**

Yuma, Arizona

919-41-124 2001

Kathleen Day MP

⑆122105744⑆ 0086462222⑆ 5496 ⑆0000077998⑆

RECYCLED PAPER

DIMENSION

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5584

Date 6-30-03

91-574/1221  
950

Pay to the  
Order of

Yuma Co. Treas. \$ 4773.96  
Four Thousand Seven Hundred Seventy Three & 96/100 Dollars



**Compass Bank**

Yuma, Arizona 2001

919-41-120

Kathleen Day MP

⑆122105744⑆ 0086462222⑆ 5584 ⑆0000477396⑆

DIMENSION

400\*000\*

000\*000\*

0000\*000\*

700\*000\*

400\*000\*

000\*000\*

100\*000\*

4000\*000\*

10000\*000\*

SEE ACCOUNTANT'S COMPILATION REPORT



ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5718

Date 12-29-03

91-574/1221  
950

Yuma Co. Treasurer \$ 739.03

Seven Hundred Thirty Nine dollars - <sup>03</sup>/<sub>100</sub>



2002 in full 919-41-124 Kathleen M. Day MP  
⑆122105744⑆ 0086462222⑈ 5718 ⑈0000073903⑈

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5494

Date 2/25/03

91-574/1221  
950

Yuma Co. Treasurer \$ 477.93  
Four Hundred Seventy-Seven & <sup>93</sup>/<sub>100</sub>



104-40-093 2001 Kathleen M. Day MP  
⑆122105744⑆ 0086462222⑈ 5494 ⑈0000047792⑈

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5495

Date 2/25/03

91-574/1221  
950

Yuma Co. Treasurer \$ 658.30  
Six Hundred Fifty-Eight & <sup>30</sup>/<sub>100</sub>



104-40-118 5001 Kathleen M. Day MP  
⑆122105744⑆ 0086462222⑈ 5495 ⑈0000065830⑈

SEE ACCOUNTANT'S COMPILATION REPORT

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5715

Date 12-29-03

91-574/1221  
950

Yuma Co Treas. \$ 499.03  
Four Hundred Ninety Nine dollars — 03 Dollars  
100



**Compass Bank**

Yuma, Arizona

80011581

Kathleen Day MP

⑆122105744⑆ 0086462222⑈ 5715 ⑈0000049903⑈

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5716

Date 12-29-03

91-574/1221  
950

Yuma Co Treas. \$ 696.85  
Six Hundred Ninety Six dollars — 85 Dollars  
100



**Compass Bank**

Yuma, Arizona

80011606

Kathleen Day MP

⑆122105744⑆ 0086462222⑈ 5716 ⑈0000069685⑈

ORANGE GROVE WATER CO. INC.  
P.O. BOX 889  
YUMA, AZ 85366-0889

5717

Date 12/29/03

91-574/1221  
950

Yuma Co Treas. \$ 3519.90  
Three Thousand Five Hundred Nineteen dollars — 90 Dollars  
100



**Compass Bank**

Yuma, Arizona

1st 1/2 - 2003 919-41-120

Kathleen Day MP

⑆122105744⑆ 0086462222⑈ 5717 ⑈0000351990⑈

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME Orange Grove Water Company, Inc. YEAR ENDING 12/31/2003

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 745  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 382  
Estimated or Actual State Tax Liability 50

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -  
Amount of Gross-Up Tax Collected -  
Total Grossed-Up Contributions/Advances -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

x Kathleen M Day  
SIGNATURE

3-13-04  
DATE

KATHLEEN M DAY  
PRINTED NAME

PRESIDENT  
TITLE

12/31/03

## 2003 BOOK DEPRECIATION SCHEDULE

PAGE 1

CLIENT 0325

ORANGE GROVE WATER COMPANY, INC.

86-0285858

3/11/04

12:09PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	CUR 179 PCT.	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
FORM 1120														
AUTO / TRANSPORT EQUIPMENT														
19	CHEVY VAN	5/31/93							1,424	681	S/L	20		71
TOTAL AUTO / TRANSPORT EQUIP														
FURNITURE AND FIXTURES														
14	COMPUTER SOFTWARE	6/01/91							1,044	624	S/L	20		52
15	COMPUTER HARD DISK	5/01/92							1,571	842	S/L	20		79
23	OFFICE FURN & EQUIPMENT	VARIOUS							8,522	5,761	S/L	20		426
31	486 COMPUTER & EQUIPMENT	8/31/95							2,312	928	S/L	20		116
32	COMPUTER & SCANNER	11/01/00							1,326	198	S/L	20		66
TOTAL FURNITURE AND FIXTURE														
IMPROVEMENTS														
16	WATER TANK	10/01/92							14,775	8,353				739
17	WATER TANK - REPLACEMENT	7/01/92							6,500	3,331	S/L	20		325
22	WATER TANKS - EQUIPMENT	5/01/93							3,750	1,974	S/L	20		188
24	TRANS & DISTR MAINS	VARIOUS							3,755	1,817	S/L	20		188
TOTAL IMPROVEMENTS														
LAND														
									138,530	113,757				6,927

12/31/03

## 2003 BOOK DEPRECIATION SCHEDULE

PAGE 2

CLIENT 0325

ORANGE GROVE WATER COMPANY, INC.

86-0285858

3/11/04

12:09PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	PCT. BUS	CUR 179 BONUS	SPECIAL DEPR ALLOW	PRIOR 179 BONUS/ SP DEPR	PRIOR BAL DEPR	SALVAGE /BASIS REDUCT	DEPR BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
4	LAND AND LAND RIGHTS	1/01/73		900							900					0
	TOTAL LAND															0
	MISCELLANEOUS			900		0	0	0	0	0	900	0				0
25	WELLS & SPRINGS	1/01/81		11,699							11,699	11,699	S/L	20		0
26	ELECTRIC PUMP EQUIPMENT	VARIOUS		10,728							10,728	9,005	S/L	20		536
27	DISTRIBUTION RESERVOIRS	VARIOUS		3,504							3,504	3,504	S/L	20		0
28	SERVICES	VARIOUS		11,264							11,264	11,264	S/L	20		0
29	METERS	VARIOUS		5,076							5,076	5,076	S/L	20		0
30	HYDRANTS	VARIOUS		6,069							6,069	6,069	S/L	20		0
34	NEW WELL PUMP-INSTALLED	8/27/03		5,781							5,781		S/L	20		96
	TOTAL MISCELLANEOUS			54,121		0	0	0	0	0	54,121	46,617				632
	TOTAL DEPRECIATION			209,750		0	0	0	0	0	209,750	169,408				8,369
FORM 1120 - RESIDENTIAL RENTAL																
BUILDINGS																
20	RESIDENCE - SOMERTON AZ	8/17/93		30,000							30,000	14,000	S/L	20		1,500
	TOTAL BUILDINGS			30,000		0	0	0	0	0	30,000	14,000				1,500
	LAND															
21	LAND - SOMERTON HOUSE	8/17/93		2,839							2,839					0
	TOTAL LAND			2,839		0	0	0	0	0	2,839	0				0

12/31/03

## 2003 BOOK DEPRECIATION SCHEDULE

PAGE 3

CLIENT 0325

ORANGE GROVE WATER COMPANY, INC.

86-0285858

3/11/04

12:09PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	PCT. BUS.	CUR 179/ BONUS	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	TOTAL DEPRECIATION			32,839		0	0	0	0	0	32,839	14,000				1,500
	GRAND TOTAL DEPRECIATION			242,589		0	0	0	0	0	242,589	183,408				9,869

SEE ACCOUNTANT'S COMPILATION REPORT

**THEODORE F. GAFFIN**  
**Certified Public Accountant**  
250 WEST 24<sup>th</sup> STREET # G  
YUMA, ARIZONA 85364-8506  
WORK PHONE 928-782-3704  
HOME PHONE 928-342-6015  
FAX 928-782-0955  
CELL 928-503-2710  
EMAIL [tfgaffincpa@theriver.com](mailto:tfgaffincpa@theriver.com)

ACCOUNTANT'S COMPILATION REPORT

Orange Grove Water Company  
P. O. Box 889  
Yuma, Arizona 85366-0889

March 11, 2004

I have compiled the balance sheet of Orange Grove Water Company (A Corporation) as of December 31, 2003, and the related statement of income and expense and the supplementary information for the year then ended included in the accompanying prescribed form in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

My compilation was limited to presenting in the form prescribed by the State of Arizona Corporation Commission Utilities Division information that is the representation of management. I have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplementary information are presented in accordance with the requirements of the State of Arizona Corporation Commission Utilities Division, which differ from generally accepted accounting principals. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

  
\_\_\_\_\_  
THEODORE F. GAFFIN  
Certified Public Accountant

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**RECEIVED**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>YUMA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>KATHLEEN M DAY</u>
COMPANY NAME	<u>ORANGE GROVE WATER COMPANY INC</u>

APR 12 2004

**ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 101,455

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 6,966

IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

Kathleen M. Day  
SIGNATURE OF OWNER OR OFFICIAL  
928-726-8272  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

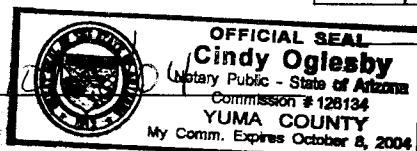
2nd

DAY OF

COUNTY NAME	<u>Yuma</u>
MONTH	<u>March</u>
YEAR	<u>2004</u>

(SEAL)

MY COMMISSION EXPIRES



Cindy Oglesby  
SIGNATURE OF NOTARY PUBLIC

**SEE ACCOUNTANT'S COMPILATION REPORT**



VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

**RECEIVED**

APR 12 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Yuma</u>		<b>ARIZONA CORPORATION COMMISSION</b> <b>DIRECTOR OF UTILITIES</b>
NAME (OWNER OR OFFICIAL) <u>KATHLEEN M DAY</u>	TITLE <u>PRESIDENT</u>	
COMPANY NAME <u>ORANGE GROVE WATER COMPANY INC</u>		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 101,455

(THE AMOUNT IN BOX AT LEFT

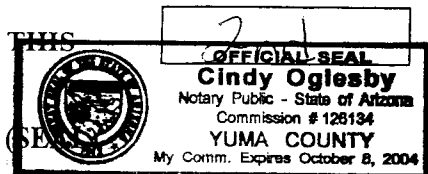
INCLUDES \$ 5966  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Kathleen M. Day  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

10/08/04

NOTARY PUBLIC NAME <u>Cindy Oglesby</u>	
COUNTY NAME <u>Yuma</u>	
MONTH <u>March</u>	. <u>20</u> <u>04</u>

x Cindy Oglesby  
SIGNATURE OF NOTARY PUBLIC

**SEE ACCOUNTANT'S COMPILATION REPORT**